

Ubl said at a news briefing in Washington on Tuesday. The industry is lobbying hard against the tax, but Ubl says it supports other elements of the legislation, such as finding new ways to compare which drugs, devices and treatments work best.

Senate Finance Committee staff, speaking to reporters Monday, said the device tax is a flat amount based on each company's market share, not product prices, a provision meant to discourage passing the fee to consumers.

The controversy about the device tax illustrates how difficult it is for lawmakers to find ways to pay for their ambitious health care ideas. For months, proposals have come and gone—and come back again—from fees on soft drinks to levies on the wealthy. A windfall-profits tax on health insurers and an excise tax on expensive individual health policies are under consideration. Device makers are just taking their turn in the hot seat.

"Congress has a not-in-my-backyard problem in health reform," says Robert Laszewski, an Alexandria, Va.-based health policy consultant. "Everyone wants it, but someone else has to pay for it."

PLUSES AND MINUSES

The health care debate in Washington might seem a long way from this community 2½ hours north of Indianapolis. But the topic is top-of-mind for the executives who run the device companies, the physicians who use the products produced in the plants, and people seeking jobs in the industry.

Funk is among the growing number of uninsured in Warsaw and its surrounding area. About 19% of people here have no health insurance, compared with 15.4% nationally, according to the most recent census data.

For Funk, the proposed tax is "a toss-up." If health reform is approved, he would likely qualify for subsidies to help him buy insurance. But the tax might make it more difficult for him to find work in the industry.

Today, device makers employ about 6,000 people in Kosciusko County, accounting for nearly 19% of the county's private-sector jobs, according to a September report from BioCrossroads, a group formed by venture capitalists and philanthropic organizations to boost the life sciences industry in Indiana.

"It's the only thing that provides a ray of sunshine in that part of the state," says Robert Guell, professor economics at Indiana State University.

Jobs run the gamut, from Ph.D. chemists to machinists. Workers at Biomet and the other plants use high-tech computerized lathes to craft hips and knees from titanium. At Zimmer, which has its own foundry workers in heat-protective suits pull molten-hot molds of joints from giant furnaces. Upstairs, scientists in nearly soundless offices research the next advance in device technology.

Medical device jobs in Kosciusko County pay well, averaging more than \$81,000 annually, according to BioCrossroads.

For a time, experienced workers were often lured from one company to another.

There was so much movement, "you almost had to keep a scorecard to know where your neighbor was working," says Thomas Krizmanich, an orthopedic surgeon who lives and works in Warsaw. He says he has to be careful not to offend patients who work for one of the three big device makers by implanting them with competitors' products.

"Every company would like you to use 100% of their product," Krizmanich says. "It can be difficult to make three companies happy."

The sagging economy has slowed job hopping—and hiring—in the past year. In August, unemployment in Kosciusko County,

which includes Warsaw, was 11.6%, vs. the national average of 9.7%, says database service Proximity. But that was far below that of neighboring Elkhart, where the jobless rate is 16%, in part due to a sharp downturn in the recreational-vehicle-building industry.

LEAVING THE AREA?

The proposed tax on device makers is not the only issue dampening future employment prospects here.

Other countries are offering huge incentives lure device makers overseas, where labor costs and other expenses may be lower.

Zimmer Holdings and Biomet already have manufacturing plants in Europe and China. And while Biomet's Binder says those plants mainly serve emerging markets, he acknowledges that some lower-skill production jobs have moved overseas.

It's unlikely that orthopedic device manufacturing will leave the USA entirely because the high-tech skills are hard to transfer, says Larry Davidson, director of the Center for the Business of Life Sciences at Indiana University.

"What has been helpful for that industry and will continue to provide jobs in the U.S. and Indiana is that it's harder for that industry to separate the technology and product development from the manufacturing," Davidson says.

Others are not so sanguine.

"It's conceivable that (device makers) could move everything eventually," says Nick Deeter, president and CEO of OrthoPediatrics, a Warsaw-based firm that develops orthopedic devices designed for children. He buys components from manufacturers based in the USA and abroad. "Machines do all the work now. Someone starts them and stops them. Even though it's a high-tech product, it doesn't take a skill." Other states and countries have tried to get Deeter to move his headquarters.

"I have a pile of business cards from companies in Ireland," he says. "Akron, Ohio, recently offered us a \$3 million grant to move." But he stayed, with the help of \$4.4 million in grants and other incentives from Indiana.

The ongoing recession means job openings in the device industry are fewer and attract many more applicants, says Melissa Denton, workforce and economic development director at Ivy Tech in Warsaw.

Enrollment in Ivy Tech's advanced orthopedic manufacturing skills training program has grown so fast, now at 400 students, that the school has had to move into larger quarters twice since last year.

Funk expects to complete his training soon, although he might pursue a two-year degree: "I just hope someone hires me."

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GOHMERT) is recognized for 5 minutes.

(Mr. GOHMERT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MCHENRY) is recognized for 5 minutes.

(Mr. MCHENRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. FRANKS) is recognized for 5 minutes.

(Mr. FRANKS of Arizona addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. WESTMORELAND) is recognized for 5 minutes.

(Mr. WESTMORELAND addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

(Ms. FOXX addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. POSEY) is recognized for 5 minutes.

(Mr. POSEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mrs. BACHMANN) is recognized for 5 minutes.

(Mrs. BACHMANN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

HEALTH CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Missouri (Mr. AKIN) is recognized for 60 minutes as the designee of the minority leader.

Mr. AKIN. Mr. Speaker, this evening we're going to be continuing on a familiar theme for many, probably the single issue that rivets the attention of Americans perhaps more than any single debate and discussion and, that is the change to American health care. This is not, of course, a small debate. It is a debate that involves a question of, to a large degree, whether the government is going to take over 18 percent of our economy. That's not a small section of our economy, 18 percent, nor is it a small question.

Not only economically is it a big question, every one of us has to live inside our own bodies. So it is a very personal question. We have to live inside our bodies, and we're dependent on health care, and we hope that we can continue to enjoy the high quality of health care that we have had in America.

But people recognize that there are problems with American health care. Those problems largely are not so much in the delivery of the health care but rather in how the health care is being paid for. So there are stresses in the system as to who's going to pick up the tab on it.